

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF PUERTO RICO

IN RE:  
LOURDES ORTIZ GONZALEZ  
Debtors

CASE NO. 20-00609-MAG

CHAPTER 13

**MOTION REQUESTING PERMISSION TO PARTICIPATE IN THE  
P.R.H.A.P. PROGRAM**

**TO THE HONORABLE COURT:**

**COME NOW**, debtors **LOURDES ORTIZ GONZALEZ**, through the undersigned attorney and respectfully aver and pray:

1. That the debtor filed a Chapter 13, dated 02/10/2020.
2. That the appearing debtor has a mortgage note in the principal amount of \$161,002.82, which encumbers debtor's principal residence. That secured creditor Banco Popular is the lien holder. See proof of claim #6.
3. That currently the Puerto Rico Homeowner Assistance Program herein after ("PRHFA"), is providing financial aid to help debtors be current with their mortgages arrears. This program will help the debtor and benefit the secured creditor, without causing any burden to the other creditors.
4. In accordance with the program regulation the debtor needs court authorization to start the process and to receive the funds. The fund receive will be for the sole purpose of paying the mortgage arrears which are secured under the confirmed plan.
5. The program request that the court enters a separate order stating **"The applicant/debtor is authorize to participate in the Puerto Rico Homeowner Assistance Program."** A copy of the programs request for the debtor is been provided for reference.
6. The debtors property is most necessary for a fresh start as it is her principal and only

residence.

**WHEREFORE**, the debtor prays for an Order allowing her to participate in the Puerto Rico Homeowner Assistance Program and that a separate order be entered stating the following “The applicant/debtor is authorize to participate in the Puerto Rico Homeowner Assistance Program.”.

**CERTIFICATE OF SERVICE:** I hereby certify that on March 15, 2022, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF System which will send notification of such filing to all participants using the CM/ECF System and I hereby certify that I have mailed by first class mail, United States Postal Service the documents to the following non CM/ECF participants as per the attached mailing list.

In Sabana Grande, Puerto Rico this 15<sup>th</sup> day of March, of 2022.

**S/: Peter A Santiago Gonzalez**  
**USDC-PR 304201**  
**Attorney for Debtor**  
**Santiago & Gonzalez Law Office**  
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PUERTO RICO HOMEOWNER  
ASSISTANCE PROGRAM

AUTORIDAD PARA EL  
FINANCIAMIENTO  
DE LA VIVIENDA  
DE PUERTO RICO



**BANKRUPTCY COURT APPROVAL NOTICE**

PRHAP Case ID: PRHAP-7603  
Bankruptcy Chapter: 13  
Applicant Name: Louder Ortiz Gonzalez  
Docket/Case Number: 20-00609-MAR  
Property Address: 491 Calle Los Ingenieros, Mayaguez, P.R. 00682

**Puerto Rico Homeowner Assistance Program Background**

Section 3206 of the American Rescue Plan Act of 2021 authorized the Homeowner Assistance Fund (HAF). The Homeowner Assistance Fund provides \$9.9 billion to states to assist homeowners that have experienced the greatest hardships as a result of the COVID-19 pandemic. Applicable funding uses include delinquent mortgage payments to minimize foreclosures and reduce housing instability resulting from financial hardship induced by the COVID-19 pandemic.

The Department of Treasury (Treasury) allocated funds to states based on homeowner need as of the date of enactment (March 11, 2021), and as determined by reference to one (1) the average number of unemployed individuals over a period of no fewer than three months and no more than 12 months and two (2) the total number of mortgagors with (a) mortgage payments that are more than 30 days past due or (b) mortgages in foreclosure. Pursuant to these guidelines, the HAF allocation for Puerto Rico is \$75,637,542.00.

On April 14, 2021, Treasury released "Homeowner Assistance Fund Guidance" (HAF Guidance) which outlined policy guidelines for states' HAF programs. This included a description of qualified expenses, eligibility criteria, and protocols for HAF Plan submission to the Treasury for approval. This HAF Guidance was updated on November 12, 2021.

The Puerto Rico Housing Finance Authority (PRHFA) will manage Puerto Rico's HAF program which will be known as the Puerto Rico Homeowner Assistance Program (PRHAP). The goal of the PRHAP is to deliver Homeowner Assistance Fund opportunities to eligible homeowners across Puerto Rico to stem housing instability and mortgage/loan delinquency.

**Assistance Provided**

The Puerto Rico Housing Finance Authority will establish three mortgage assistance options through the PRHAP:

- First Mortgage Reinstatement combined with Mortgage and Utilities Assistance
- Second Mortgage Repayment with Payment Assistance
- Payment Assistance for Delinquent Taxes, Insurance, and Homeownership Costs.

The maximum per eligible homeowner household assistance for the PRHAP will be capped at \$21,000 per household.

PRHAP assistance is structured as a non-recourse grant, recoverable in the event of fraud or overpayment. PRHFA or its agent will disburse PRHAP Assistance directly to the mortgage lender/servicer, contract for deed holder, local taxing authority, insurance company, homeowners/condominium association, and/or

other payee as applicable. Funding will not be provided directly to the applicant and PRHFA or its agent will disburse the amount quoted by the entity. Any discrepancies must be resolved by the homeowner and lender/servicer or other payee.

### Request for Written Approval of Court

To participate in the Puerto Rico Homeowner Assistance Program, applicants who are currently in bankruptcy proceedings must obtain approval from the Bankruptcy Court to participate in the program. A separate order should be entered if the Court has no objection to the applicant participating in the PRHAP where such funds will be distributed directly to the mortgage lender/servicer, contract for deed holder, local taxing authority, insurance company, homeowner/condominium association, or other payee by the PRHAP and/or its authorized agents on behalf of the applicant. Please note that the separate order should expressly state that the applicant is authorized to participate in the Puerto Rico Homeowner Assistance Program.

While PRHAP understands that this is not typically a condition of bankruptcy proceedings, the PRHAP has been informed by mortgage loan servicers and other eligible payees of the program that such approval must accompany the program's payment on the applicant's behalf for the payee to accept and apply payment to the applicant's accounts.

### Additional Information

You may obtain additional information about the program by visiting the Puerto Rico Homeowners Assistance Program at [www.covidhipotecas.com](http://www.covidhipotecas.com) or by calling 1-888-887-7234.

